

INTELLIGENCE SERVICE

FIS - COI

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Italy, June 1941
Philosophy
Second main objective
of the
strategy

MEMORANDUM OF ESTABLISHMENT OF
SERVICE OF STRATEGIC INFORMATION

Strategy, without information upon which it can rely, is helpless. Likewise, information is useless unless it is intelligently directed to the strategic purpose. Modern warfare depends upon the economic base -- on the supply of raw materials, on the capacity and performance of the industrial plant, on the scope of agricultural production and upon the character and efficiency of communications. Strategic reserves will determine the strength of the attack and the resistance of the defense. Steel and gasoline constitute these reserves as much as do men and powder. The width and depth of terrain occupied by the present day army exacts an equally wide and deep network of operative lines. The "depth of strategy" depends on the "depth of armament."

The commitment of all resources of a nation, moral as well as material, constitute what is called total war. To anticipate enemy intention as to the mobilization and employment of these forces is a difficult task.

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General von Vornhardi says, "We must try, by correctly foreseeing, what is coming, to anticipate developments and thereby to gain an advantage which our opponents cannot overcome on the field of battle. That is what the future expects us to do."

Although we are facing imminent peril, we are lacking in effective service for analyzing, comprehending, and appraising such information as we might obtain, (or in some cases have obtained), relative to the intention of potential enemies and the limit of the economic and military resources of these enemies. Our mechanism of collecting information is inadequate. It is true we have intelligence units in the Army and the Navy. We can assume that through these units our fighting services can obtain technical information in time of peace, have available immediate operational information in time of war, and on certain occasions obtain "spot" news as to enemy movements. But these services cannot, out of the very nature of things, obtain that accurate, comprehensive, long-range information without which no strategic board can plan for the future.

And we have arrived at the moment when there must be plans laid down for the spring of 1942.

We have, scattered throughout the various departments of our government, documents and memoranda concerning military and naval and air and economic potentials of the Axis which, if gathered together and studied in detail by carefully selected trained minds, with a knowledge both of the related languages and techniques, would yield valuable and often decisive results.

Critical analysis of this information is not presently important for our supply program as if we were actually engaged in armed conflict. It is unimaginable that Germany would engage in a \$7 billion supply program without first studying in detail the productive capacity of her actual and potential enemies. It is because she does exactly this that she displays such a mastery in the secrecy, timing and effectiveness of her attacks.

Even if we participate to no greater extent than we do now, it is essential that we set up a central enemy intelligence organization which would itself collect

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either directly or through existing departments of government, at home and abroad, pertinent information concerning potential enemies, the character and strength of their armed forces, their internal economic organization, their principal channels of supply, the morale of their troops and their people and their relations with their neighbors or allies.

For example, in the economic field there are many weapons that can be used against the enemy. But in our government these weapons are distributed through several different departments. How and when to use them is of vital interest not only to the Commander-in-Chief but to each of the departments concerned. All departments should have the same information upon which economic warfare can be determined.

To analyze and interpret such information is not only the experience of Army and Navy officers, but also of specialized trained research men in the relative scientific fields, (including sociological, economic, financial and psychological scholars)

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is of determining influence in modern warfare.

Such analysis and interpretation must be done with immediacy and speedily transmitted to the intelligence services of those departments which, in some cases, would have been supplying the essential raw materials of information.

But there is another element in modern warfare, and that is the psychological attack against the moral and spiritual defenses of a nation. In this attack the most powerful weapon is radio. The use of radio as a weapon, though effectively employed by Germany, is still to be perfected. But this perfection can be realized only by planning, and planning is dependent upon accurate information. From this information action could be carried out by appropriate agencies.

The mechanism of this service to the various departments should be under the direction of a

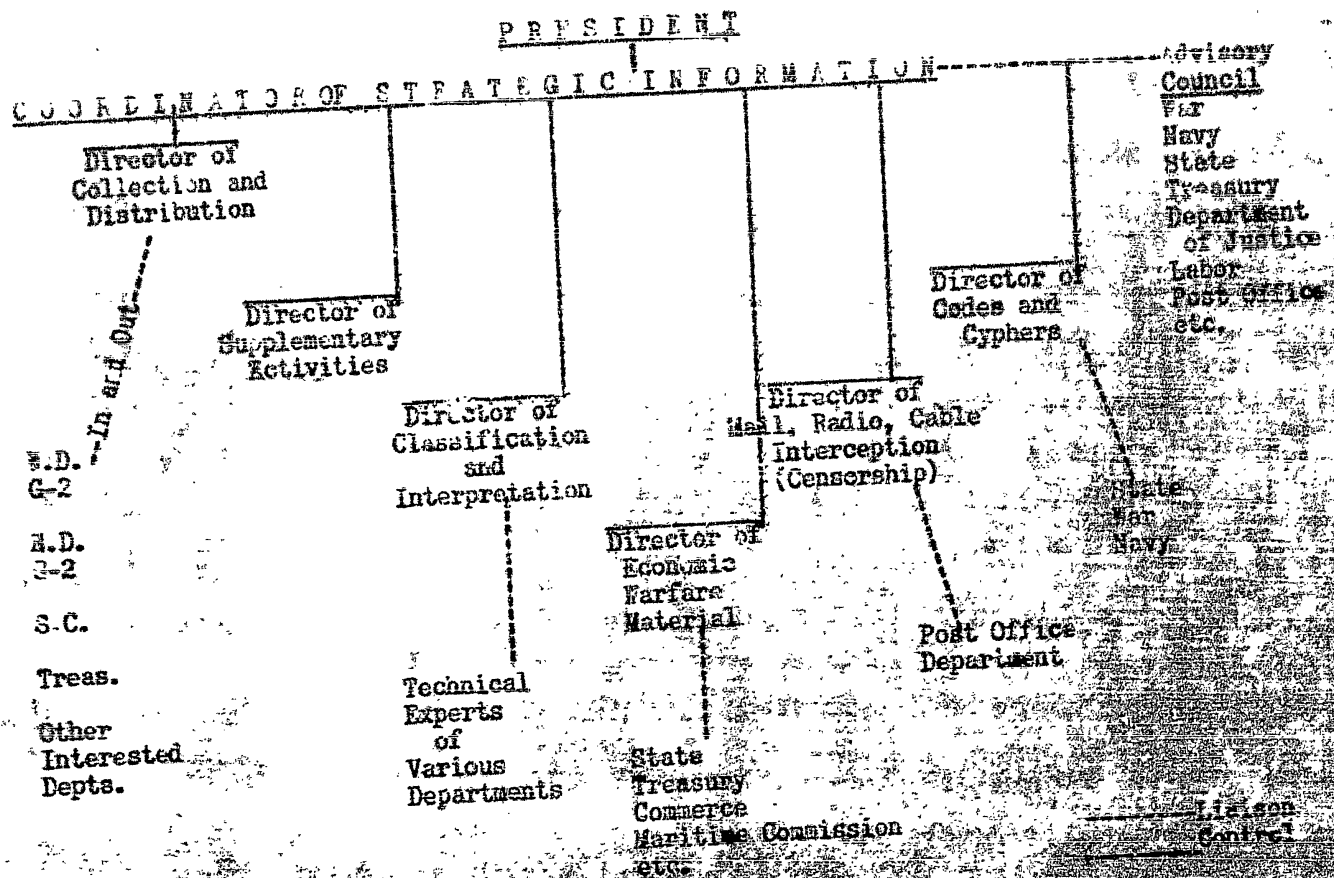
Coordinator of Strategic Information who would be responsible directly to the President. This Coordinator could be assisted by an advisory panel consisting of the Director of FBI, the Directors of the Army and Intelligence Service, with corresponding o'

other governmental departments principally concerned.

The attached chart shows the allocation of and the interrelation between the general duties to be discharged under the appropriate directors. Much of the personnel would be drawn from the Army and Navy and other departments of the government, and it will be seen from the chart that the proposed centralized unit will neither displace nor encroach upon the FBI, Army and Navy Intelligence, or any other department of the government.

The basic purpose of this Service of Strategic Information is to constitute a means by which the President, as Commander-in-Chief, and his Strategic Board would have available accurate and complete enemy intelligence reports upon which military operational decisions could be based.

William J. Donovan



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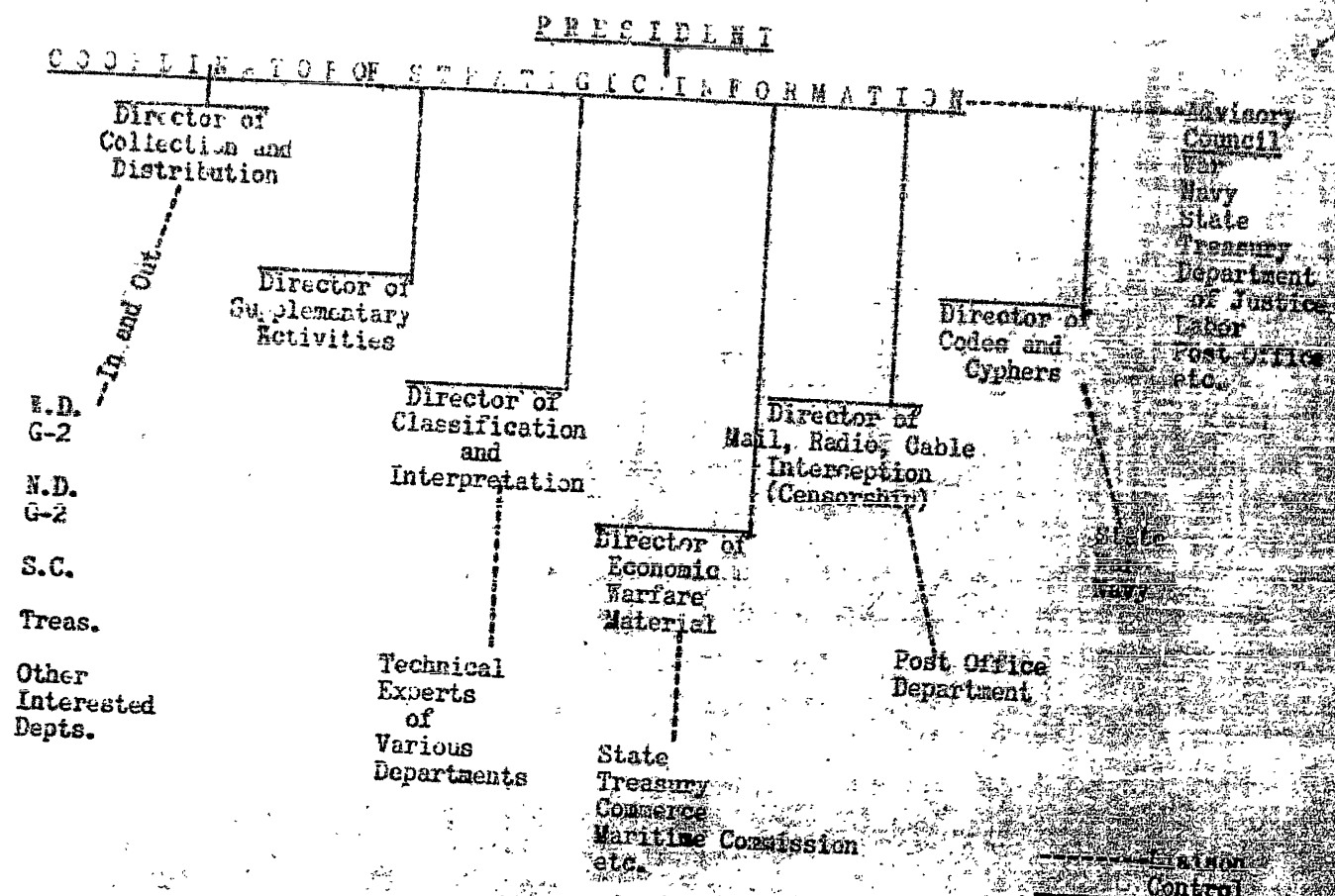
- 6 -

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William J. Donovan





UNITED STATES GOVERNMENT
COORDINATOR OF INFORMATION
WASHINGTON, D. C.

May 20, 1942

Mr. Harold D. Smith, Director
Bureau of the Budget
State Department Building
Washington, D. C.

Dear Mr. Smith:

I am obliged to go to New York this morning, and regret not to be able to see you before there is a further conference on the "information" question.

I talked with the President and with Sam Rosenman and have told Mr. Coy the substance of those talks. I enclose for your eye the memorandum which I have sent the President.

I am sure you will agree that my suggestion is sane and reasonable. I make it because I am deeply disturbed about the plan as submitted. I cannot find that its implications and consequences have been sufficiently thought through. More than anyone in the Government during the past six months, I have been intimately concerned with the problems arising from subversive warfare. You will recall that originally the President wished us to take over the domestic as well as the foreign field. I urged at that time against the consolidation. My experience of these last months confirms that judgment. I feel it to be my duty so to state.

Because of the serious consequences of this proposal, not only to this organization but to the entire war effort, I cannot too strongly emphasize that such a consolidation as now proposed should not be carried out.

Sincerely,

William J. Donovan
William J. Donovan

Attachment

May 11, 1942

Mr. Wayne Coy
Bureau of the Judge
Washington, D. C.

Dear Mr. Coy:

I am enclosing a copy of my memorandum
to the President of yesterday, which contains
the substance of my talk with Judge Rosenman.
I wanted you to read this, and when you have
finished with it, will you please return it to
me.

Sincerely,

William J. Donovan

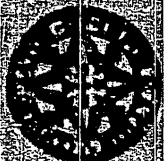
May 16, 1942

Honorable Samuel Rosenman,
The White House,
Washington, D. C.

Dear Sam:

Thank you for your very understanding and open-minded talk today. Here is a copy of my memorandum to the President, which I believe fairly presents what I said to you.

Sincerely,



UNITED STATES GOVERNMENT
COORDINATOR OF INFORMATION
WASHINGTON, D. C.

May 15, 1942

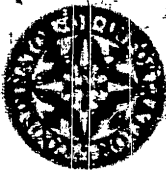
Brigadier General William B. Smith
Office of Joint Chiefs of Staff
Washington, D. C.

Dear General Smith:

I am sending the enclosed
letter and proposed order to Harry
Hopkins today. I hope it conforms to
our talk.

Sincerely,

W. J. Donovan
William J. Donovan



UNITED STATES GOVERNMENT
COORDINATOR OF INFORMATION

WASHINGTON, D. C.

May 15, 1942

not sent

The Honorable Harry Hopkins

The White House

Dear Harry:

I tried to get you today - unsuccessfully.
This afternoon I talked with Sam Rosenman about
the proposal to set up a new plan for propaganda
agencies, in which there would be three units,
domestic, foreign and South America.

I told Sam the President had discussed
this plan with me and wanted us to go over it
together. I told him also that I was opposed
to it, and that the very argument the President
used against including South America applied with
even greater force to the general foreign situation.
That argument was, in effect, - one day we might
have to lie, and then our whole domestic situation
would be ruined.

I know that the Army does not wish to have foreign propaganda in its organization, but nevertheless it must be in an agency that is close to the Army, because, whether we wish to be holy about it or not it must work very closely with strategy.

I told Sam that the President said that nothing would be done until I could talk with him further, and that I considered this whole thing so serious in the general war effort that I wanted to put down my views so they would be unmistakable, because, whichever view prevails, the responsibility ought to be fixed. I am prepared to accept the responsibility for mine.

However, in the meantime, there is a log jam. There are many things that the Joint Chiefs of Staff wish put through. These could be put through if the fundamental question could be settled, and that fundamental question is one

of making us a supporting agency. I have discussed this with General Smith, and he has said that I could tell you he agrees on the advisability of submitting an order which, as you will see, deals only with the basic question of designating us as a supporting agency, and leaves all the other questions to be argued out and decided without being precipitate. This to me is common sense. I will talk about it with Sam tomorrow, but I told General Smith that I would send the order to you. If you talk with Sam and think it advisable, I would appreciate your having the order presented for action.

General Smith said that he would be glad to talk with you about it.

Sincerely,

William J. Donovan

CONF

May 16, 1942

MEMORANDUM FOR THE PRESIDENT

FROM: William J. Donovan

I met Mr. A. G. Rosenman and found him, in my opinion, prejudiced and to some extent, I gave my opinion that one transaction at this time would be a serious impairment of the whole war effort; that the foreign radio service was not set up with us as something separate, but there was such an interplay of functions among all of our units that to rip this out now would tear the tissue of our whole organization; and further that, in fulfillment of my duty to the President, I should not let this be done without swinging a red lantern.

Neither Sam nor I stressed our respective divergent views but approached it from the very practical standpoint of what should be done now.

As he expressed it, the single question was a choice between two courses -- one, to have our radio propaganda service, as distinct from our political warfare and subversive services, made part of a general information

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agency; or, second, to have it remain as it is now and to effect close liaison with the domestic information agency. I accepted this as the question, but suggested that at best this question could not be decided without further proof. That as a means of establishing the proof the following be done:

1. That a domestic integrated information service should be set up to see if it would work. That this domestic agency should be given power and control over the various units, rather than be compelled to rely on persuasion.
2. That a period of three months should be given to see how this experiment worked out.
3. That a close liaison should be established between the domestic radio and our own, so that there should be the fullest interchange of support and of joint action.
4. That at the end of three months a new look be given to see the result.

Among other reasons for this suggestion were the following:

- (a) That at most this was an experiment. For

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the purposes of this action I was willing to concede that it was a question of fact as to which is the best method.

(b) As Sam epitomized my view, it was that the proposal being untried, "the burden of proof was on the proponents".

(c) That to try to do the whole thing at once, before it could be seen whether the domestic propaganda service could stand upon its own feet after consolidation, might jeopardize the ultimate success of any arrangement.

(d) That to permit our machine to remain as it is for the next three months would jeopardize nothing, and if at the end of three months it should be decided to make the change no harm would have been done.

(e) But if the change were to be made now, in the process of which our whole organization would be upset, and then within three months it was found to be a mistake, irreparable injury would have been done.

I tried to make clear that while my conviction is that under the present set-up we had created a weapon for you that should not be impaired, nevertheless I wanted to go to the fullest extent in examining any proposal that

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Sam felt would be more effective. For that reason only I made the above suggestions.

In view of the differences of opinion that exist, such an experimental period carried on with good faith would be able to satisfy you as to what course should be followed.

One other thing I stressed with him. That is the proposed order submitted to you by the Joint Chiefs of Staff. We discussed that for the moment a simple order in lieu of that should be issued. It might follow the lines of the enclosed draft. This would designate us as a supporting agency, and nothing more. It would, however, answer the basic question, and would leave the other questions to be determined later. At this moment there are many things which the Joint Chiefs of Staff wish to put through. The delay is hindering aggressive action on our part. These could be put through almost at once if the Chiefs of Staff knew that the fundamental question had been decided. I have talked with General William B. Smith, Secretary of the Joint Chiefs of Staff, and he has said such an order would be acceptable "in order to relieve the log jam."

I do not know Sam's conclusion. I am sending

him a copy of this memorandum, and I hope in reading this he will feel that he can recommend it to you as a common sense course to follow. If you feel otherwise, I hope you will let me have an opportunity to discuss it with you before you reach a final decision.

Proposed draft of Sam Rosenman file

Since I feel so strongly that our FIS effort is nothing more than the first of five steps in war and must be constantly regarded as such and correlated with the other four steps, and since I knew that Sam Rosenman did not fully share this feeling, I did not discuss this fundamental concept with him, but instead discussed the practical effects of any change at this time.

If I am right in this concept, there ought never to be a merger of domestic and foreign information. But even if I am wrong, no new information service should be saddled with the additional responsibilities of taking on this rather large load, while it was in effect getting started on its own work. I therefore suggested an experiment, - an experiment which I believe will end happily and one on which you and I and Sam and Harold Smith, and any others who are willing to view the experiment objectively, will be in complete agreement.

In my concept of the information branch of my work, we need to have close liaison with each of the following three other services, and I have listed them in the order of their importance:

1. The War Department.
2. The State Department.
3. The domestic information service.

If the suggestions contained in the memorandum to you by the Chiefs of Staff are put into effect, we shall have with the above first named close liaison, - the most important one. We shall strive to improve the second, and we shall take tangible steps to assure the third with whatever new set-up you create for handling domestic information.

Let us, then, follow along these lines for^a three-month period. As I see it, no harm could possibly result, even if, as I say, my own concept of warfare is wrong. It would take three months for any new domestic information service to settle down and to prepare to assume this other large responsibility. If I am right, and I am more convinced of that than ever, I am sure the results of three months under such close liaison as I have suggested above will have the effect of proving that fact conclusively, and I am certainly not without great respect for the judgment of Harold Smith and Sam Rosenman. So much respect have I that I shall critically examine the experiment to the end that I believe I can be open-minded enough to see my error if I have made one.

